

The 4th International Scholars' Conference – Universitas Klabat**Paper 52 – Business and Governance****CORPORATE OWNERSHIP STRUCTURE AND ITS IMPACT ON TAX AVOIDANCE Billy Ivan**

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ABSTRACT

This study reviewed whether corporate ownership structure that was divided into family-oriented ownership structure and institutional-oriented ownership structure had impact on tax avoidance. This study covered all industrial manufacturers listed in Indonesia Stock Exchange in 2013 with a population of 136 companies; however, only 121 companies met the sampling criteria. Two companies were delisted from Indonesia Stock Exchange, and 13 other companies did not issue their data needed in their financial report. Statistical analysis showed that both family-oriented ownership structure and institutional-oriented ownership structure did not have significant effect on tax avoidance. This finding indicates that companies with concentrated ownership structure prefer not to be involved in tax avoidance practices which have big penalty risk from tax institutions in case of malpractice.

Keywords: Ownership Structure, Tax Avoidance